

**MWD**

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

FILED
by the Board of Directors of
The Metropolitan Water District
of Southern California
at its meeting held

9-11

JUL 11 1995

Karen E. Deff
EXECUTIVE SECRETARY

June 27, 1995

To: Board of Directors (Water Planning and Resources Committee--Information)
From: General Manager
Subject: Agreement to Extend the Deadline for Obtaining Necessary Approvals for "The Agreement Relating To The Construction Of A Concrete Lined Canal Parallel To The Existing All American Canal" to Become Effective

RECOMMENDATION:

For information only.

John R. Wodraska
General Manager

Submitted by:

for *Robert W. Schenzyg*
Debra C. Man, Chief
Planning and Resources

Concur:

John R. Wodraska
John R. Wodraska
General Manager

JLS:arb

JLS795/BOARD

EXECUTIVE SUMMARY:

Pursuant to the authority granted to the General Manager by your Board at its December 13, 1994 meeting, "The Agreement Relating To The Construction Of A Concrete Lined Canal Parallel To The Existing All American Canal" (Agreement), dated February 3, 1995, has been executed with the Imperial Irrigation District (Imperial). Before the Agreement becomes in full force and effect, Article 21 requires that prior to July 1, 1995, (1) written approval be obtained from the Palo Verde Irrigation District, Coachella Valley Water District, and the Secretary of the Interior (Secretary) unless waived by Imperial and Metropolitan, and (2) Metropolitan, Imperial, and the Secretary enter into a Construction/Funding Agreement for the All American Canal Lining Project. Section 21.2 of the Agreement permits this deadline to be extended by mutual agreement of Imperial and Metropolitan. As the Secretary's designated agent, the U.S. Bureau of Reclamation's action on this matter is pending resolution of implementation of the San Luis Rey Indian Water Rights Settlement. In order to provide the additional time necessary for resolution of the San Luis Rey Indian Water Rights Settlement and to reach closure on items (1) and (2) above, I have executed an agreement entitled "Agreement to Extend the Deadline for Obtaining Necessary Approvals for 'The Agreement Relating To The Construction Of A Concrete Lined Canal Parallel To The Existing All American Canal' to Become Effective" with Imperial, which extends the deadline from July 1, 1995 to December 31, 1995.

DETAILED REPORT:

At its December 13, 1994 meeting, your Board authorized the General Manager to execute the "The Agreement Relating To The Construction Of A Concrete Lined Canal Parallel To The Existing All American Canal" (Agreement) with the Imperial Irrigation District (Imperial). The Agreement was subsequently executed and dated February 3, 1995. Before the Agreement becomes in full force and effect, Article 21 provides that the following events shall have occurred before July 1, 1995:

- 1) Written approval by the Palo Verde Irrigation District (Palo Verde), unless waived by Imperial and Metropolitan,
- 2) Written approval by the Coachella Valley Water District (Coachella), unless waived by Imperial and Metropolitan,
- 3) Written approval by the Secretary of the Interior (Secretary), or his designated agent, unless waived by Imperial and Metropolitan, and
- 4) Metropolitan, Imperial, and the Secretary entering into a Construction/Funding Agreement for the All American Canal Lining Project.

Section 21.2 of the Agreement permits this deadline to be extended by mutual agreement of Imperial and Metropolitan.

Staff has met with representatives of Palo Verde and Coachella and will schedule further meetings with representatives of each of these agencies to attempt to gain their approvals. The U.S. Bureau of Reclamation (Reclamation) has yet to commence negotiations for a Construction/Funding Agreement. Reclamation's action on this matter is pending resolution of implementation of the San Luis Rey Indian Water Rights Settlement. Staff has been meeting with representatives of the Federal Government, the settlement parties, and the San Diego County Water Authority (County Water Authority) in an attempt to make substantial, measurable progress toward implementation of the settlement. The status of this effort was reported in my March 28, 1995 letter to your Board in which Metropolitan's proposal for resolving the All American Canal Lining Project and San Luis Rey Indian Water Rights Settlement was attached. Discussions among the Federal Government, the settlement parties, the County Water Authority, and Metropolitan continue to center on Metropolitan's proposal.

Since good faith negotiations are continuing with Palo Verde, Coachella, and Reclamation, consistent with the authority granted to me at your Board's December 13, 1994 meeting, I have executed an agreement entitled "Agreement to Extend The Deadline for Obtaining Necessary Approvals for 'The Agreement Relating To The Construction Of A Concrete Lined Canal Parallel To The Existing All American Canal' to Become Effective" which extends the deadline to December 31, 1995.

In addition to the items mentioned above, staff is continuing to attempt to resolve those issues identified in my November 29, 1994 letter to your Board that remain to be resolved before Metropolitan may move forward with the All American Canal Lining Project. These remaining issues are:

- development and execution of an environmental mitigation agreement among state and federal resource agencies, Metropolitan, Imperial, and Coachella which would memorialize the commitments contained in the All American Canal Lining Project's Final Environmental Impact Statement/Environmental Impact Report,
- achieving a resolution of Mexico's issues with respect to the All American Canal Lining Project through coordination with the U.S. Section of the International Boundary and Water Commission, and
- achieving a resolution of the remaining outstanding issues relative to the San Luis Rey Indian Water Rights Settlement.